

California Regional Water Quality Control Board

Santa Ana Region



Winston H. Hickox Secretary for Environmental Protection Internet Address: http://www.swrcb.ca.gov/rwqcb8 3737 Main Street, Suite 500, Riverside, California 92501-3348 Phone (909) 782-4130 - FAX (909) 781-6288

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption.

For a list of simple ways you can reduce demand and cut your energy costs, see our website at www.swrcb.ca.gov/rwacb8.

April 28, 2003

Rebecca Raftery Jenner & Block One IBM Plaza Chicago, IL 60611

DIRECTIVE TO CONDUCT A RECORDS INVESTIGATION ON THE USE OF THE FORMER GENERAL DYNAMICS STORAGE MAGAZINES, 2824 NORTH LOCUST, CITY OF RIALTO, SAN BERNARDINO COUNTY, CALIFORNIA

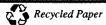
Dear Ms. Raftery:

As our staff informed you by telephone, perchlorate has been detected in municipal water supply wells in the Rialto, Colton and Chino Groundwater Subbasins in Southern California. These water supply wells are located downgradient of the storage magazines that were used by General Dynamics (and later by Hughes Missile Company and Raytheon Corporation) from 1984 until 1994. Information that the Raytheon Company and local businesses provided to us in response to subpoenas and Investigation Orders indicates that in 1984, General Dynamics Corporation entered into a Facility Construction Agreement with Broco, Inc., for the construction of six storage magazines and appurtenances in North Rialto. General Dynamics also entered into a ten-year lease agreement with Broco, Inc., for the use of the six magazines and appurtenances for storage of explosives and raw materials, containing perchlorate salts. Records indicate that General Dynamics tested explosive devices in North Rialto, in the vicinity of the storage magazines and former storage bunkers.

From the 1960s through the 1990s, the General Dynamics Company designed, manufactured, assembled, and tested missile systems and other weapons systems at various Southern California facilities, under contract with the U.S. Department of Defense. General Dynamics utilized the storage magazines in Rialto during the period from 1984 to 1994, under the signatures of Mr. Alan Von Sydow, Ms. Eva Saylor and Mr. Don Miller, General Dynamics Air Defense Systems Division and General Dynamics Pomona Division.

This letter sets forth a requirement under California Water Code Section 13267 that General Dynamics conduct an investigation of its records of historical operations at the storage magazines in North Rialto, and the use of the magazines in support of the research, development, manufacturing, assembly, and testing activities of the General Dynamics Company, including but not limited to the Pomona Division, Air Defense Systems Division, and Valley Systems facilities. As required by that provision, this letter contains an explanation of the need for the investigation, and cites evidence supporting the requirement.

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Background

Perchlorate contamination was first detected in groundwater in the Rialto, Colton and Chino Groundwater Subbasins in 1997. At that time, the California Department of Health Services (DHS) Action Level (AL) for perchlorate in drinking water was 18 parts per billion (ppb). Two wells had perchlorate levels exceeding 18 ppb and were shut down. In January 2002, the DHS lowered the AL to 4 ppb. In response to the reduced AL for perchlorate, the local water purveyors in the Rialto, Colton and Chino Groundwater Subbasins restricted or eliminated the use of additional production wells with perchlorate concentrations that exceeded 4 ppb. Between 1997 and the present, various suspected perchlorate dischargers, including General Dynamics, have been identified.

Requirement for an Investigation

The Regional Board has directed staff to issue individual letters under California Water Code Section 13267 to suspected perchlorate dischargers. The Board also expressed a strong desire that suspected perchlorate dischargers work with the local water purveyors to provide a supply of replacement water during the loss or limited use of their production wells.

The Need for the Investigation

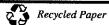
The Santa Ana Regional Water Quality Control Board is charged with the protection of water quality in this Region. We have been working actively with the water purveyors for several years to identify the extent and address the impact of perchlorate contamination on water resources in the Rialto, Colton and Chino Groundwater Subbasins. The water purveyors whose wells have been contaminated with perchlorate now face a state of emergency, and may not be able to provide an adequate water supply to their customers. It is urgent that the sources of the contamination be identified, and the magnitude of the perchlorate plume defined.

Evidence Supporting the Need for the Investigation

Enclosed are the following documents:

- 1. Enclosure 1 Well Location Map, showing perchlorate contamination in municipal water supply wells.
- 2. Enclosure 2 Facility Construction Agreement for the storage magazines constructed for General Dynamics.
- 3. Enclosure 3 Lease Agreement and Termination of Lease for use of the storage magazines by General Dynamics.
- 4. Enclosure 4 Log record of on-site explosives testing for General Dynamics.
- 5. Enclosure 5 Copies of Hazardous Material Handler Permits for 1992 & 1993; Renewal Applications and Invoices; January 17, 1991 San Bernardino County EHS Hazardous Waste Generator Inspection Report; MSDS pages for chemicals in the storage magazines.
- 6. Enclosure 6 EPA Hazardous Waste Permit Application for Broco, Inc., with map showing open burn/open detonation site (believed to have been used by General Dynamics).
- 7. Enclosure 7 Excerpts from Broco Inc. site report (1990, by Radian Corporation) with references to General Dynamics on-site facility and map of General Dynamics' storage magazines.
- 8. Enclosure 8 Description of General Dynamics (later Hughes and Raytheon) business and products history (from internet web site http://www.Janes.com).

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The evidence indicates that from the early 1980s to 1994, General Dynamics stored, tested, and possibly assembled explosives and chemicals at the Rialto site. Evidence also indicates that General Dynamics may have used Broco Inc.'s Open Burn/Detonation Pit to test and dispose of explosive materials and/or ordnance. Perchlorate has been detected in groundwater downgradient of the storage magazines that were occupied by General Dynamics. Based on the evidence, General Dynamics is suspected of having discharged perchlorate waste that has adversely affected water quality. This evidence supports the requirement for an investigation, as defined in Section 13267(b)(1) of the California Water Code.

Deadlines

A detailed description of General Dynamics' historical activities at the storage magazines must be submitted to Board staff by June 25, 2003. Your submittal must include an assessment of General Dynamics' use of the magazines in support of the research, development, manufacturing, assembly, and testing activities of the General Dynamics Company, including but not limited to the Pomona Division, Air Defense Systems Division, and Valley Systems facilities.

Failure to submit the required information by the specified deadline will subject you to administrative civil liability in the amount of up to \$1,000 per day pursuant to Section 13268(a) and (b) of the California Water Code.

Finally, please be aware that the Board has directed staff to explore alternative ways of solving the water supply problem in the Rialto, Colton and Chino Groundwater Subbasins. In addition, consistent with the Board's direction, we will be issuing similar directives to a number of other suspected dischargers who have operated in the North Rialto area. Thus, there may be opportunities to cooperate with other entities to implement joint investigations or to propose solutions that would address the water supply problem. In fact, we believe it would be both scientifically effective and economically efficient for the suspected dischargers subject to these directives to jointly pursue the investigation and to explore water supply replacement options. Further, consistent with the Board's direction, we recommend that the joint efforts of the suspected dischargers consider both the characterization of the plume and initiation of water supply replacement or treatment strategies. Board staff has experience in managing similar joint investigations and cooperative solutions and we are available to discuss these further with you. If you are interested in discussing such joint efforts, please contact us to arrange a meeting.

California Water Code Section 13365 addresses the billing process for the Regional Board to recover reasonable expenses for overseeing investigation of illegal discharges, contaminated properties, and other unregulated releases that may adversely affect the State's waters. It is the Regional Board's intent to recover such costs for regulatory oversight work conducted in accordance with this order. A description of the Board's procedure for cost recovery for regulatory oversight of investigations and cleanups will be sent to you under separate cover.

If you have any questions about this letter, please contact Kamron Saremi at (909) 782-4303, or you may call Ann Sturdivant, Chief of our Spills, Leaks, Investigations and Cleanups Section, at (909) 782-4904.

Sincerely,

Gerard J. Thibeault Executive Officer

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Enclosures:

- 1. Well Location Map, showing perchlorate contamination in municipal water supply wells.
- 2. Facility Construction Agreement for the storage magazines constructed for General Dynamics.
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- 8. Description of General Dynamics (later Hughes and Raytheon) business and products history (from internet web site http://www.Janes.com).
- Mailing List.

cc w/enclosures:

David Savner, Senior Legal Officer, General Dynamics Corporation

cc w/out enclosures:

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AES/Data/SLIC/Rialto perchlorate 01-03/13267/General Dynamics

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